

# INFORMATION LETTER

## NATIONAL CANNERS ASSOCIATION

No. 1737

Washington, D. C.

July 4, 1959

### Transportation Diversification

The Surface Transportation Subcommittee of the Senate Committee on Interstate and Foreign Commerce held hearings last week on legislation relating to common ownership of transportation facilities.

One set of bills (S.1353, S.1354 and S.1355 by Senator Butler of Md.) would authorize one type of carrier, a railroad for example, to own and operate other, competing transport facilities. Another bill (S.452 by Senator Smathers of Fla.) would prohibit such common ownership, which is permitted now only on a very limited basis.

Both Senator Butler and Senator Smathers are members of the Surface Transportation Subcommittee and Senator Smathers is its chairman.

The Smathers bill, S.452, also contains a provision that would prohibit secondary boycotts, a subject which generally would be in the jurisdiction of the Labor Committee rather than the Commerce Committee.

The Interstate Commerce Commission opposes S.452 on the grounds that

### N.C.A. Reviews Decision of the Board of Directors in Opposing S. 11, Bill To Amend Robinson-Patman Act

The action of the N.C.A. Board of Directors at its May meeting in voting to oppose S. 11 and H. R. 11, the Kefauver-Patman amendment to the Robinson-Patman Act, has resulted in a number of letters received by members of the Association, questioning the position of the Association. This has prompted Executive Secretary Carlos Campbell, under date of July 1, to write the Board of Directors on this important subject. Mr. Campbell's letter and an accompanying memorandum are reproduced here for the information of all members.

It would "foster uneconomic and unsound transportation conditions" and promised positions on the other bills later. The ICC agrees "in principle" with the secondary boycott provisions but urged that the section be amended so that it would be administered by an agency experienced in labor-management matters rather than by the ICC.

The U. S. Department of Commerce asked that Congress defer action on the common ownership question until transportation policy studies in the Department and in the Senate are completed.

#### To Members of the Board of Directors:

A number of our members have written in saying that they have received letters from some of their customers inquiring why the N.C.A. Board of Directors went on record in opposition to S. 11. This raises two questions: first, why should canners be opposed to S. 11? And the second question is, why should the Board of Directors choose this particular time to give expression to the Association's position on S. 11?

One should bear in mind that the N.C.A. has a group of very sincere, conscientious working committees. Any industry problem requiring Association action is first of all referred to the appropriate committee, where it is studied and analyzed very carefully, and if, in the opinion of the committee, Board action is desirable, the committee so recommends. The Robinson-Patman Law and the business practices that brought it into being are considered of major importance to the canning industry, and thus have been discussed from time to time by the Association's top level policy-making bodies, the Board of Directors and the Administrative Council. The Council in this case acted as the committee in which preliminary discussions were developed, and it was, therefore, the Council's recommendation to the Board of Directors, the Association's highest policy-determining body, that resulted in the Board action opposing S. 11.

The Association's Legislative Committee, made up of 33 canner-members, representing 29 states, has the responsibility for implementing the policies of the Board insofar as they relate to legislation affecting the canning industry. Thus it was on recommendation of the Legislative Committee that the Board of Directors ex-

### N.C.A. School Materials in Heavy Demand

Enclosed with this issue of the INFORMATION LETTER is a copy of the February advertisement which was used in national home economics teachers' magazines. This was at the time of the beginning of the second semester and school materials about canned foods were offered upon request.

Work with the schools was initiated when the Consumer Service Division (then called the Home Economics Department) was added to the services of the N.C.A. in 1927. The type of material has changed many times as teaching methods have been altered. At the beginning much of the work was with the colleges which trained future teachers of high schools. That work continues, but the emphasis now is on the high and junior high school classes.

It is reported that a very large number of girls marry and establish homes upon completing high school.

Most schools require that every girl take a homemaking course either in junior or senior high school. The school publications are prepared with the guidance of teacher-leaders in the field. Some materials are designed for single copy use in the classroom by the teacher. Other leaflets are supplied for each class member. These leaflets are used in class work after which the teacher sends them home with students. Thus present homes of parents and the future homes of students are reached.

During 1958 the Consumer Service Division received approximately 25,000 individual teacher-requests for school materials, and more than 2,000,000 copies of school materials were supplied to fill the requests.

The staff of the Division is presently revising and preparing new educational materials about canned foods for school use. When it is completed sample sets will be mailed to all N.C.A. members.

pressed the Association's opposition to S. 11 at this time.

Each member, of course, had his own reason for supporting these recommendations. Now that the question has again been raised, you may want to review Board discussions on the Robinson-Patman Act and on S. 11 in particular.

Sincerely,  
CARLOS CAMPBELL

*Following is the text of the memorandum which accompanied Mr. Campbell's letter to the Board:*

**The Robinson-Patman Act  
and the Canning Industry**

First, what is the subject matter? The subject is companion legislation S. 11 and H.R. 11, introduced in the Senate by Senator Estes Kefauver and in the House by Congressman Wright Patman. These bills are called by their sponsors the "Equality of Opportunity" bills and they would amend the section of the Robinson-Patman Act that provides for the "good faith" defense to a charge of price discrimination. The sponsors claim that by limiting the application of the "good faith" defense many of the alleged wrongs and alleged unethical practices in the food business will be corrected and that the Robinson-Patman Act would be strengthened. How this will result from the passage of the legislation is not explained by the proponents, although the Chairman of the Senate Subcommittee, last March, in opening the latest in a long series of hearings, stated that:

"Under existing law, price discriminations, unlawful under section 2(a) of the Clayton Act because they may substantially lessen competition or tend to create a monopoly, may nevertheless be continued if it can be shown under section 2(b) that they were made in good faith to meet the equally low price of a competitor.

"S. 11 would amend section 2(b) so as to make good faith unavailable as a defense where it is affirmatively shown that the discriminations may substantially lessen competition or tend toward monopoly. The bill is based upon the conviction that substantial lessening of competition or tendency toward monopoly is as much against sound public policy when brought about in good faith as when accomplished in bad faith.

"S. 11 would not completely eliminate the good faith defense. It would continue to justify price discriminations which, though injuring competitors, were not so destructive as to lessen competition or tend toward monopoly."

In plain English, this suggests that a seller may continue to meet competition in good faith except where his

doing so might be said "substantially to lessen competition or tend to create a monopoly." The important question is whether this technical and murky legal distinction means that the bill, if enacted, would apply to canners.

Among the considerations reviewed by the Board of Directors and Administrative Council was the fact that in the many cases in which canners have been charged with violating the Robinson-Patman Act, the Federal Trade Commission has invariably concluded that the pricing practices of the respondent canner, irrespective of his size, and even for the smallest enterprise, might "substantially lessen competition and tend to create a monopoly."

Second, what interest has N.C.A. shown in this subject? Over the years N.C.A. had refrained from taking a formal position on S. 11 although the Association at its annual meeting in 1949 resolved (see INFORMATION LETTER of January 26, 1949, page 91) that it opposed limitations on the meeting of competition in good faith by individual sellers. The full text of this resolution was quoted in President Sorensen's letter of May 22 to the Senate Judiciary Committee (see INFORMATION LETTER of May 28, 1959, page 200). Counsel for the Association has discussed the subject on many occasions but two major addresses bear special noting: At the annual meeting of the Association in January, 1949, a full review of the issue of meeting competition was given in an address entitled "Crystal Clear Confusion—The New Legal Rules For Pricing Goods" (INFORMATION LETTER, January 26, 1949) and at the May meeting of the Board in 1953 special attention was again called to the subject in a discussion on "The Interest of the Canning Industry in Pending Proposals to Amend the Robinson-Patman Act" (INFORMATION LETTER, May 30, 1953). The Association's Legislative Committee has kept a close and careful watch over the course of the legislation and developments have been promptly reported to the membership in the INFORMATION LETTER.

Third, why did the Board resolve in opposition to S. 11 at the May, 1959, meeting? Both the Legislative Committee and the Administrative Council recommended that the Board take such action. These recommendations were made because the Committee and the Council believed that the time had arrived when the N.C.A. should take a definite position. In the past, the concerted and formal action of the Association had not been required but the absence of opposition was being observed in Congress and was being interpreted as either a lack

of interest on the part of the canning industry, or as indication of support for the bill. This growing opinion combined with the fact that the legislation came close to passage in the last Congress prompted the recommendation that a formal position be taken at the May meeting.

Why should the canning industry be opposed to the legislation? The simplest explanation for industry opposition to the legislation is that it would add further complexity and confusion to the administration and enforcement of the Robinson-Patman Act rather than clarify it.

The text of the bill is attached. Reading it will demonstrate that it is not subject-matter for lay understanding. It would amend language that reads very much the same and that has been undergoing administrative interpretation and court decision since the passage of the Robinson-Patman Act in 1936. Good judgment makes it evident that passage of S. 11 would interrupt the effort to develop an understanding of the law and would launch a new period of legal uncertainty which at a minimum would create even more confusion.

As to whether S. 11 would be applicable to members of the canning industry, it is interesting to report that on the very day that the Board of Directors acted on this question, the Federal Trade Commission issued a complaint against a canner, charging that the alleged payment of \$350 to a particular retail store, conducting an anniversary sale, constituted a price discrimination which allegedly "would substantially lessen competition and tend to create a monopoly." Thus the literal application of the proposed legislation so as to interfere with the right of virtually every canner to meet competition when necessary to do so in good faith can hardly be challenged.

S. 11 would, therefore, limit freedom of action on the part of an individual canner-seller in meeting competition in good faith. It would reduce the flexibility of decision on the part of the smaller company as well as on the part of the larger company. It would limit the ability of the canner, as a buyer, to take full advantage of free competition by imposing restrictions on his suppliers to meet competition in good faith. In many cases this would limit the canner to one source of supply.

Finally, the FTC has vacillated and frequently changed its position on the legislation as the complexion of the membership of the Commission has changed. Furthermore, the federal government's enforcement agency in the field of antitrust, the Department of Justice, has opposed this legislation.

86TH CONGRESS  
1ST SESSION

## S. 11

### IN THE SENATE OF THE UNITED STATES

JANUARY 9 (legislative day, JANUARY 8), 1959

Mr. KEFAUVER (for himself, Mr. CHAVEZ, Mr. HUMPHREY, Mr. GREEN, Mr. LANGER, Mr. MAGNUSON, Mr. MCCARTHY, Mr. LONG, Mr. HILL, Mr. SPARKMAN, Mr. McNAMARA, Mr. CARROLL, Mr. NEUBERGER, Mr. MORSE, Mr. MURRAY, Mr. MOSS, Mr. WILEY, Mr. SMATHERS, Mr. JACKSON, Mr. MCGEE, Mr. CHURCH, Mr. DOUGLAS, Mr. O'MAHONEY, and Mr. BYRD of West Virginia) introduced the following bill; which was read twice and referred to the Committee on the Judiciary

## A BILL

To amend the Clayton Act as amended by the Robinson-Patman Act with reference to equality of opportunity.

### DECLARATION OF PURPOSE AND POLICY

To reaffirm the national public policy and the purpose of Congress in the laws against unlawful restraints and monopolies, commonly designated "antitrust" laws, which among other things prohibit price discrimination; to aid in intelligent, fair, and effective administration and enforcement thereof; and to strengthen the Clayton Act as amended by the Robinson-Patman Anti-Price Discrimination Act and the protection which it affords to independent business, the Congress hereby reaffirms that the purpose of the antitrust laws in prohibiting price discriminations is to secure equality of opportunity to all persons to compete in trade or business and to preserve competition where it exists, to restore it where it is destroyed, and to permit it to spring up in new fields.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (b) of section 2 of the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1944, as amended (15 U.S.C. 13(b)), is hereby amended to read as follows:*

"SEC. 2. (b) Upon proof being made, at any hearing on a complaint under this section, that there has been discrimination in price or services or facilities furnished, the burden of rebutting the prima facie case thus made by showing justification shall be upon the person charged with a violation of this section, and unless justification shall be affirmatively shown, the Commission is authorized to issue an order terminating the discrimination: *Provided, however,* That unless the evidence affirmatively shows that the effect of the discrimination may be substantially to lessen competition or tend to create a monopoly in any line of commerce, in any section of the country, it shall be a complete defense for a seller to show that his lower price or the furnishing of services or facilities to any purchaser or purchasers was made in good faith to meet an equally low price of a competitor, or the services or facilities furnished by a competitor: *Provided further,* That nothing contained herein shall be construed to alter the law applicable to the absorption of freight or of shipping charges."

## Transportation Policy Studied by Advisors to Commerce Dept.

The U. S. Department of Commerce has under way a comprehensive study of transportation policy, with a view to developing and recommending a program which might lead to a more balanced development of our transportation system.

The study was provided for by the President in his budget message in January and is being made by a special advisory group headed by Dr. Ernest J. Williams of Columbia University.

A number of transportation studies have been made in recent years, including those of the Hoover Commission and the Weeks Committee, but the group headed by Dr. Williams seeks to make the most comprehensive study of transportation policy that has been attempted since before World War II. Its final recommendations will likely be the basis for legislation or executive action affecting railroads, trucks, airlines, water carriers, shippers, and the public.

The Senate has authorized its Committee on Interstate and Foreign Commerce to make a special study of transportation policy, but this has not yet been organized.

As presently planned, the Commerce Department study will produce underlying reports on (1) rate regulation of surface transportation, (2) controls of entry into surface transportation, (3) economic regulation of air transport, (4) government investment in transportation facilities, (5) differential effects of taxation and social security programs, (6) labor, (7) government procurement of and provision of transport services, and (8) merchant marine policy.

The study group expects that its initial studies in these areas will be embodied in a tentative report to the Under Secretary of Commerce for Transportation, John J. Allen, some time in November. It is expected that the tentative conclusions will be tested on a small advisory committee.

Members of the study group, in addition to Dr. Williams, are Dr. William Gomberg, a labor expert who is moving to the University of Pennsylvania; Dr. Merrill J. Roberts, professor of transportation at the University of Pittsburgh; Dr. Virgil D. Cover, professor of transportation at Syracuse University; and Dr. John E. Clayton of George Washington University, public expenditures specialist, who will concentrate on such spending as it affects transportation.



### FDA Publishes Proposal on Standards for Canned Peppers

The FDA has published in the *Federal Register* of June 30 a petition proposing amendments to the standard of identity for miscellaneous canned vegetables to permit the addition of certain calcium salts to green and red sweet peppers. Following is the text of the FDA notice:

#### DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration  
[21 CFR Part 51]

#### CANNED VEGETABLES; DEFINITIONS AND STANDARDS OF IDENTITY; QUALITY; AND FILL OF CONTAINER

#### Canned Peppers; Notice of Proposal To Amend Standard of Identity To Provide for Adding Calcium Salts

Notice is hereby given that a petition has been filed by H. P. Cannon and Son, Inc., Bridgeville, Delaware, proposing that the standards of identity for canned vegetables other than those specifically regulated (21 CFR 51.990) be amended to provide for the addition of certain calcium salts to green and red sweet peppers.

Pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (secs. 401, 701, 52 Stat. 1045, 1055 as amended 70 Stat. 919; 21 U.S.C. 341, 371) and in accordance with the authority delegated to the Commissioner of Food and Drugs by the Secretary of Health, Education, and Welfare (22 F.R. 1045, 23 F.R. 9500), all interested persons are hereby invited to present their views in writing regarding the proposals published below. Such views and comments should be submitted in quintuplicate, addressed to the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, Health, Education, and Welfare Building, 330 Independence Avenue, S. W., Washington 25, D. C., prior to the thirtieth day following the date of publication of this notice in the *Federal Register*.

The petitioner proposes that §51.990 *Canned vegetables other than those specifically regulated; identity; label statement of optional ingredients* be amended as follows:

1. By designating the present text of paragraph (c) (3) as subdivision (i) and inserting in paragraph (c) (3) new text designated as subdivision (ii) to provide for the addition of certain calcium salts to red and green sweet peppers.

2. By amending paragraph (f) (2) to provide for the label declaration of the aforementioned optional ingredients.

As amended, paragraphs (c) (3) and (f) (2) would read as follows:

(c) \* \* \*

(3) (i) In the case of potatoes, purified calcium chloride, calcium sulfate, calcium citrate, monocalcium phosphate, or any mixture of two or more such calcium salts, in a quantity reasonably necessary to firm the potatoes, but in no case in a quantity such that the calcium contained in any such calcium salt or mixture is more than 0.051 percent of the weight of the finished food.

(ii) In the case of green sweet peppers or red sweet peppers, purified calcium chloride, calcium sulfate, calcium citrate, monocalcium phosphate, or any mixture of two or more such calcium salts, in a quantity reasonably necessary to firm the peppers, but in no case in a quantity such that the calcium contained in such calcium salt or mixture is more than 0.026 percent of the weight of the finished food.

(f) (1) \* \* \*

(2) If any of the optional ingredients specified in paragraph (c) (3) (i) and (ii) of this section are present, the label shall bear the statement "Trace of . . . added" or "With added trace of . . ." the blank being filled in with the words "calcium salt" or "calcium salts," as the case may be, or with the name or names of the particular calcium salt or salts added.

Dated: June 23, 1959.

[SEAL]

JOHN L. HARVEY,  
Deputy Commissioner  
of Food and Drugs.

### Lemon Juice for Manufacturing

The Agricultural Marketing Service of USDA has issued U. S. standards for grades of concentrated lemon juice for manufacturing. The standards apply to concentrated lemon juice which has been prepared by canning, freezing, approved additives, or by any other suitable method.

The standards provide for grades A and C for manufacturing. Concentration may be to any suitable level of acidity. Limits for pulp are not included in the grades, although methods of analyses are specified for making pulp determinations.

Provision is made for products concentrated to any suitable degree. However, the quality factors of color and defects are evaluated after reconstituting the product to 5.7 grams per 100 milliliters, and the flavor factor is evaluated after preparing to a formula with sugar and water.

The standards were published in the *Federal Register* of June 30 and will become effective August 1.

### Food Additives Petition

The FDA has published in the *Federal Register* of June 26 a petition under the Food Additives Amendment proposing the establishment of tolerances for calcium EDTA when used as a chelating agent in certain processed foods.

It is in order for interested parties to submit written views and comments on the petition to the Food and Drug Administration. Following is the text of the FDA notice:

#### DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration  
[21 CFR Part 121]

#### Notice of Filing of Petition for Issuance of Regulation Establishing Tolerance for Calcium Disodium Ethylene Diamine Tetraacetic Acid for Chelating Trace Minerals in Foods

Pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 409 (b) (5), 72 Stat. 1786; 21 U.S.C. 348 (b) (5)), the following notice is issued:

A petition has been filed by The Dow Chemical Company, Midland, Michigan, proposing the issuance of a regulation to establish tolerances for calcium disodium ethylene diamine tetraacetic acid (calcium disodium (ethylenedinitrilo) tetraacetic acid) when added to chelate undesirable trace minerals in the following foods:

(a) 100 parts per million (0.01 percent) in shortenings, peanut butter, toppings, sandwich spreads, and in processed fruits and vegetables, processed fruit and vegetable juices, and dressings, other than those for which standards of identity have been established.

(b) 25 parts per million (0.0025 percent) in malt beverage (beer).

Dated: June 18, 1959.

[SEAL]

GEO. P. LARRICK,  
Commissioner of Food and Drugs.

### 'Three Squares' in Australia

The film "The Three Squares," one of the projects of the N.C.A. Consumer and Trade Relations Program, was used June 29 to July 3 as part of the Winter School on Canning Technology, at The Hawkesbury Agricultural College, Richmond, New South Wales. Sponsor of the school is the Food Technology Association of New South Wales. The courses are designed for personnel in the food processing industries to provide an appreciation and understanding of the principles of food preservation by canning.

## Canned Foods Press Release on Alaska-Hawaii Statehood

Photos and articles tied to the new Alaska-Hawaii statehood status have been released for July use to 62 newspaper food editors as part of the N.C.A. Consumer and Trade Relations Program. The copy, prepared by writers at Dudley-Anderson-Yutzky, public relations counsel for the C.&T.R. Program, points out the contribution of canned salmon from Alaska and canned pineapple from Hawaii.

Homemakers there engage in such extra activities as committee meetings, shopping trips, church work, or jobs, and accordingly keep their shelves stocked with canned foods, as in the other 48 states, the copy states.

Text and photos are devoted to a time-saving casserole of which these canned ingredients are a part: macaroni and cheese, tuna, mushrooms, pimientos, and potato sticks. The feature went out under a D-A-Y service entitled Photo Features, supplied to selected newspapers with an estimated 7,600,000 circulation.

Another feature, dealing with Alaska exclusively, was issued to a different group of 162 metropolitan newspapers, with circulation of 19,600,000. This consisted of a press interview with a young Anchorage housewife, and gave three of her own summer menus. These involved use of several canned foods items—tuna, peas, carrots, whole green beans, and apricots.

## Canned Fruit Display Abroad

Canned fruits occupied a feature spot in the American exhibit at the International Food Exposition held in Lausanne, Switzerland, June 13 to 28. The display was presented cooperatively by the Foreign Agricultural Service of USDA and the American fruit industry, both fresh and processed. M. A. Clevenger of the Canners League of California was a member of the official U. S. management group at the Exposition.

The Canners League of California played a major role in obtaining samples of canned fruit in tin and glass containers for use in the exhibit. The N.C.A. Information Division assisted USDA writers and exhibit planners with texts for literature about canned foods handed out to visitors at the booth. Copies of the N.C.A. Consumer Service Division leaflet "Using Canned Foods," were

made available for distribution at Lausanne.

The official press release issued by USDA from Lausanne indicated that visitors were impressed by the wide variety of canned, frozen, fresh and dried fruits demonstrated in the exhibit and stated that the canned fruit display was a popular spot with visitors.

## Wholesale Distributor Stocks of Canned Foods

A report on stocks of 20 canned food items in the hands of wholesale distributors on June 1 has been issued by the Bureau of the Census, U. S. Department of Commerce.

	June 1 1958	June 1 1959	Per- cent change from 1958
(thousands of actual cases)			
<b>Vegetables:</b>			
Beans, green and wax....	2,822	2,839	+ 1
Corn.....	3,660	3,706	+ 1
Peas.....	3,648	3,568	- 2
Sauerkraut.....	607	625	+ 3
<b>Fruits:</b>			
Apples.....	426	431	+ 1
Applesauce.....	1,229	1,362	+11
Apricots.....	625	302	-52
Cherries, RSP.....	360	348	-11
Cherries, sweet.....	225	201	-11
Fruit cocktail <sup>1</sup> .....	1,403	1,396	...
Grapefruit segments.....	440	412	- 6
Peaches.....	3,144	2,858	- 9
Pears.....	1,197	1,157	- 3
Pineapple.....	1,834	1,960	+ 7
Plums.....	290	248	-14
<b>Juices:</b>			
Citrus blends.....	575	491	-15
Grapefruit.....	1,116	973	-13
Orange.....	1,469	1,117	-23
Pineapple.....	1,149	1,427	+24
<b>Fish:</b>			
Maine sardines.....	237	197	-17

<sup>1</sup>Includes fruits for salad and mixed fruits (except citrus).

## Canned Fruits in Ice Cream

A new type ice cream, combining canned fruits and evaporated milk, is being publicized in releases sent June 24 to food editors of 80 newspapers and 20 television stations. Acting jointly for two of its clients—National Canners Association and the Evaporated Milk Association—Dudley-Anderson-Yutzky, public relations counsel for the N.C.A. Consumer and Trade Relations Program, developed the idea for the product and has distributed the releases.

These recommend stocking of pantries with the consumer's choice of the 52 canned fruits available and cans of evaporated milk. The ice cream can be made in the kitchen at about 25 cents per quart, it was pointed out. The combined nutritional value of fruits and milk was stressed.

Along with the releases the editors and telecasters received a can of apricots and one of blueberries, two cans of evaporated milk, a two-quart freezing tray, the recipe and a photograph.

## MSSA Requirements for Canned Foods

Tentative requirements for canned pears, sweet potatoes, tomato juice, and tomato paste from the 1959 pack to meet the needs of the armed services have been announced by the Military Subsistence Supply Agency.

Procurement of canned pears and tomato juice and tomato paste will be made by the Oakland Military Subsistence Market Center, 2155 Webster St., Alameda, Calif.

Procurement of canned sweet potatoes will be made by the Richmond Military Subsistence Market Center, 1722 Arlington Rd., Richmond 30, Va.

Item	Grade	Type and Style	Can Size	Quantity (pounds)	Quantity (cases)
Pears, Bartlett.....	A (Fancy) or B (Choice)	Type I,	6/10.....	13,260,000	333,166
		Style I extra heavy or heavy syrup pack, halved	24/2½.....	6,925,000	159,195
Potatoes, sweet.....	A (Fancy)	Style I or II, Type (a) moist, whole or whole and pieces, heavy syrup pack	24/2½.....	2,093,000	48,115
Tomato juice.....	A (Fancy)	.....	12/No. 3 cyl.....	31,012,000	847,322
Tomato paste.....	A (Fancy)	Type I or II, concentration (a) or (b)	24/3½.....	6,772,000	145,634

### Forthcoming Meetings

- July 6-24—Midwestern Cannery Technicians' School, co-sponsored by National Cannery Association, Indiana Cannery Association, Purdue University and can companies, Lafayette, Ind.
- July 16-17—National Kraut Packers Association, Annual Summer Meeting, Catawba Cliffs Beach Club, Port Clinton, Ohio
- July 20-22—International Apple Association, Inc., Fruit Convention, Seattle
- July 28-Aug. 7—Cannery Technicians School, co-sponsored by National Cannery Association, New York State Cannery and Freezers Association and can companies, Experiment Station, Geneva
- Sept. 9-12—Symposium on Food Enzymes and Molecular Biology, Oregon State College, Corvallis, Ore.
- Oct. 16-16—Quartermaster Association, Annual Convention, Statler-Hilton, New York City
- Oct. 18-21—National Association of Food Chains, Annual Conference and Exhibit, Sheraton-Park and Shoreham Hotels, Washington, D. C.
- Oct. 29-30—National Pickle Packers Association, Annual Meeting, Drake Hotel, Chicago
- Oct. 29-31—Florida Cannery Association, 28th Annual Convention, Hollywood Beach Hotel, Hollywood
- Nov. 5—Illinois Cannery Association, Fall Meeting, LaSalle Hotel, Chicago
- Nov. 9-10—Wisconsin Cannery Association, 55th Annual Convention, Schroeder Hotel, Milwaukee
- Nov. 22-23—Michigan Cannery and Freezers Association, Fall Meeting, Whitcomb Hotel, St. Joseph
- Nov. 23-24—Pennsylvania Cannery Association, 45th Annual Convention, Yorktown Hotel, York
- Dec. 12-16—National Food Sales Conference, National Food Brokers Association's 56th Annual Convention, Loop Hotels, Chicago
- Jan. 4-6, 1960—Northwest Cannery and Freezers Association, 4th Annual Convention, Olympic Hotel, Seattle
- Jan. 7-8—Cannery League of California, 37th Annual Fruit and Vegetable Sample Cuttings, Fairmont Hotel, San Francisco
- Jan. 10-13—Super Market Institute, Mid-year Conference, Bal Harbour, Fla.
- Jan. 17-20—NATIONAL CANNERY ASSOCIATION and Canning Machinery and Supplies Association, 53d Annual Conventions, Hotel Americana, Miami Beach, Fla.
- Feb. 9-11—Wisconsin Cannery Association, Raw Products Conference, Wisconsin Center Bldg., Madison
- Feb. 22-24—Canadian Food Processors Association, Annual Convention, Seignior Club, Montebello, Que.
- March 3-4—Pennsylvania Cannery Association, Cannery Workshop, Allenberry Lodge, Boiling Springs
- March 6-10—National Association of Frozen Food Packers, 19th Annual Convention and Exposition, Conrad Hilton Hotel, Chicago
- March 20-22—Cannery League of California, 56th Annual Meeting, Santa Barbara Biltmore, Santa Barbara
- March 22-23—Wisconsin Cannery Association, Spring Meetings, Wisconsin Center Bldg. and Loraine Hotel, Madison

### Status of Legislation

**Agricultural trade development**—H. R. 2420 (Poage of Texas), to authorize long-term supply contracts, and other bills to amend and extend P. L. 480 were the subject of public hearings by a House Agriculture Subcommittee April 21-22 and will be the subject of further hearings by the Committee beginning July 7.

**Clayton Act**—S. 726 (Sparkman and others), to make all future orders of the FTC self-executing and to provide penalties of \$5,000 daily for violations of consent decrees, was passed by the Senate March 18 and was reported, with amendment, by the House Judiciary Committee June 26.

**Consumer expenditures**—H. R. 4420 (Zablocki of Wis.), to authorize the FTC to conduct an investigation which would include a determination of what portion of consumer expenditures for food and other farm products is realized by the farmer, the processor, the distributor, and others, has been referred to the House Commerce Committee.

**Co-op jurisdiction**—H. R. 200 (Mason of Ill.), to transfer jurisdiction over cooperatives' pricing from USDA to the Justice Dept., has been referred to the House Judiciary Committee.

**Co-op taxation**—The Secretary of the Treasury has submitted a proposed draft of legislation designed to "ensure the ultimate payment of a single tax on cooperative income," but bills embodying the Administration recommendations have not been introduced.

**Corporate tax rates**—H.R. 7523 extends the corporate normal tax rate at 52% and certain excise taxes through June 30, 1960; reduces the tax on transportation of persons from 10% to 5% effective July 1, 1960; and terminates the 10% tax on general telephone service effective July 1, 1960.

**Country Life Commission**—Bills providing for the creation of a Country Life Commission, to make broad recommendations on the total development of country life, were considered by the House Family Farms Subcommittee May 6-7.

**Crew leader registration**—H. R. 5930 (Kearns of Pa.) and S. 1778 (Javits), to provide for registration of crew leaders in interstate agricultural employment (as recommended by the Labor Dept.), have been referred to the Labor Committee. N.C.A. opposes.

**Fair trade**—H.R. 1253, to amend the Federal Trade Commission Act to authorize proprietors of trade-marked goods to control the resale prices of

### Acreage of Peas for Canning in 1959

The planted acreage of green peas for canning in 1959 totals 231,603 acres, 17 percent less than the 1958 plantings of 278,584 acres, according to a report by the N.C.A. Division of Statistics.

The preliminary estimate by the USDA Crop Reporting Board of acreage of peas for canning is 234,900 acres (see INFORMATION LETTER of May 28, page 198).

The planted acreage figures reported by the Statistics Division are based on reports from all canners known to have planted peas for canning in 1959, with an estimate for one firm not reporting. The figures cover only peas planted for canning and do not include acreage presently intended for other forms of processing.

State	1958 Total (acres)	1959		Total (acres)	Percent change from 1958
		Early June (acres)	Early & Late Sweet's* (acres)		
Maine and New York	8,107	204	7,124	7,328	-11
Maryland	5,521	1,275	4,210	5,485	-1
Delaware	2,550	1,608	1,156	2,824	+11
Pennsylvania	4,605	1,033	2,823	3,856	-14
Indiana	2,780	1,093	.....	1,093	-28
Illinois	24,520	5,006	17,069	22,075	-10
Michigan	3,028	511	1,787	2,298	-24
Wisconsin	110,675	27,331	59,691	87,022	-21
Minnesota	35,720	10,034	22,703	32,737	-8
Washington and Oregon	59,315	7,802	40,935	48,737	-18
Other western states <sup>b</sup>	17,022	.....	12,916	12,916	-24
Other states	4,751	2,880	1,452	4,332	-9
U. S. Total	278,584	59,737	171,866	231,603	-17

\*The total amount of Alasweet acreage reported was 25,402 acres, of which Wisconsin accounted for 18,184 acres. <sup>b</sup>Utah, Idaho, Calif., Colo., and Wyo.



their distributors, was reported by House Commerce Committee June 9.

S. 1083 (Humphrey and Proxmire), a similar bill, was the subject of hearings by a Senate Commerce Subcommittee June 15-16.

**FDA artificial coloring**—H.R. 7624 (Harris of Ark.), to amend the Food and Drug Act with respect to the use of artificial coloring, has been referred to the House Commerce Committee and S. 2197 (Hill and Goldwater) has been referred to the Senate Labor and Public Welfare Committee.

**FDA pesticides**—H.R. 6436, to place nematocides, plant regulators, defoliant and desiccants under the Federal Insecticide, Fungicide, and Rodenticide Act and under the pesticide chemicals provision of the Food and Drug Act, was reported by House Agricultural Committee June 16.

**Federal pre-emption**—H. R. 3 (Smith of Va.), to modify the doctrine of federal pre-emption in such a way that a state law would not be nullified by a federal law on the same subject unless the federal law so provided, was passed by the House June 24.

S. 3, a similar bill, was the subject of a hearing by the Senate Judiciary Committee April 21. N.C.A. opposes application to food laws.

**Food stamps**—A number of bills designed to facilitate distribution of surplus foods to needy families were the subject of hearings by a Senate Agriculture Subcommittee June 4-8. N.C.A. opposes.

**Industrial uses**—Bills to provide programs of research on industrial uses of agricultural commodities were the subject of public hearings by a House Agriculture Subcommittee Feb. 18-20, March 2-11, and April 21-23.

S. 690, to create an Agricultural Research and Industrial Administration within USDA, was reported by Senate Agriculture Committee April 16.

**Intergovernmental relations**—H. R. 6904 (Fountain of N.C.), to establish a permanent Advisory Commission on Intergovernmental Relations, was the subject of hearings concluded by a House Government Operations Subcommittee June 19. S. 2026 (Muskie and others) is pending before Senate Government Operations Committee. All bills on this subject have been the subject of joint hearings.

**Labor-management practices**—S. 1555 (Kennedy-Cooper), to establish safeguards against improper practices in labor organizations and in labor-management relations, was passed by the Senate, with amendments, April 25, and was the subject of public hearings by a House Labor Subcommittee, which is now holding executive sessions.

**Marketing of potatoes**—S. 17 (Smith of Maine), to prohibit the sale of potatoes of a lower grade than U. S. No. 2, under certain conditions, has been

referred to the Senate Agriculture Committee.

**Marketing of turkeys**—S. 430 (Engle) and H. R. 1344 (Sisk of Calif.), to provide for controls on the marketing of turkeys, have been referred to the Agriculture Committees. N.C.A. opposes application to canning.

**Marketing orders and parity**—H. R. 642 (Sisk of Calif.), to authorize the Secretary of Agriculture to continue a marketing order in effect even after parity is reached, has been referred to the House Agriculture Committee.

**Marketing order regions**—H. R. 1070 (Ullman of Calif.), to authorize the issuance of marketing orders on any or all production or marketing areas, rather than on the smallest regional area, has been referred to the House Agriculture Committee.

**Premier notification**—The Attorney General has recommended legislation requiring prior notification before corporate mergers and acquisitions where the capital involved is more than \$10 million. S. 442 (O'Mahoney-Kefauver), to require 60 days' notice prior to merger or acquisition of corporations having total book value of \$10 million, was approved by the Senate Antitrust and Monopoly Subcommittee May 7 and was ordered reported, with amendments, to the Judiciary Committee.

**Price increases**—H. R. 4934 (McGovern of S. D.), to require advance notice and public justification before effectuating price increases in industries so heavily concentrated that monopoly or the threat of monopoly is present, has been referred to the House Judiciary Committee. S. 215 (O'Mahoney), a similar bill, was the subject of public hearings concluded by the Senate Antitrust and Monopoly Subcommittee May 5. N.C.A. opposes.

H. R. 6263 (Reuss of Wis.), including a provision requiring the President to hold public hearings on prospective or actual price or wage increases which "appear to threaten national economic stability," was reported by the House Government Operations Committee June 12. N.C.A. opposes.

**Raw product bargaining**—H. R. 1793 (Bow of Mich.), to authorize collective bargaining between cooperative associations of producers or handlers and processors or other purchasers, has been referred to the House Judiciary Committee.

**Robinson-Patman functional discounts**—H.R. 929 (Rogers of Colo.) and H.R. 4530 (Reuss of Wis.) and other bills to require price differentials to wholesalers and retailers according to the character of their selling (not their buying), were the subject of hearings by a House Judiciary Subcommittee June 25-26.

**Robinson-Patman good faith defense**—H. R. 11 (Patman), to restrict the

"good faith" defense against a charge of price discrimination, has been referred to the House Judiciary Committee. S. 11 was approved by the Senate Antitrust and Monopoly Subcommittee May 7 and ordered reported without recommendation, to the Judiciary Committee. N.C.A. opposes.

**State taxation**—H.R. 7757 (McCulloch of Ohio) and H.J. Res. 431 (Miller of N.Y.), to preclude state taxation of income derived exclusively from interstate commerce, have been referred to the House Judiciary Committee.

**Unemployment compensation**—H.R. 7177 (Mills of Ark.) and H.R. 7178 (Simpson of Pa.), embodying views of the Ways and Means Committee, were introduced May 18.

**Wage-Hour**—S. 1046 (Kennedy and others), which includes provisions to terminate the 7(b)(3), 7(c), and 13(a)(5) exemptions, and other bills to curtail exemptions and raise the minimum wage were the subject of public hearings by the Senate Labor Subcommittee May 7-June 4. N.C.A. opposes changes in the exemptions.

S. 1085 (McNamara and Clark), to provide minimum wage coverage for hired farm labor employed by large farm enterprises, has been referred to the Senate Labor Committee.

S. 1874 (Stennis), to define the "area of production" by statute and to broaden the application of section 13(a)(10), has been referred to the Senate Labor Committee.

**Waste disposal facilities**—H. R. 322 (Byrnes of Wis.), to authorize rapid amortization of waste disposal facilities and treatment works, has been referred to the House Ways and Means Committee. N.C.A. supports.

#### FISHERIES LEGISLATION

**Fisheries Assistance Act**—A number of bills to provide a five-year program of assistance to depressed segments of the fishing industry were the subject of public hearings by a Senate Commerce Subcommittee April 1-2 and concluded by the House Fisheries Subcommittee June 11.

**Fishermen's Protective Act**—S. 971 (Magnuson), to amend the Fishermen's Protective Act of 1954 to broaden protection of U. S. vessels, has been referred to the Senate Commerce Committee.

**Mortgage and loan insurance**—S. 555 (Butler) and H. R. 3169 (Garmatz of Md.), to amend the Merchant Marine Act to provide mortgage and loan insurance on the cost of work in U. S. shipyards, have been referred to the Senate Commerce Committee and the House MM&F Committee.

**Polluted shellfish**—H. R. 1244 (Colmer of Miss.), to prohibit the importation of polluted shellfish, has been referred to the House Ways and

Means Committee and S. 2112 (Jackson and 6 others) has been referred to the Senate Finance Committee.

**Salmon conservation**—S. 502 (Bartlett-Gruening-Magnuson), to prohibit the importation of salmon taken by nationals of a country that permits gill netting at certain times and places, was the subject of public hearings by a Senate Commerce Subcommittee April 1-2 and May 4-5 and was considered in executive session May 13.

H. R. 4293 (Pelly of Wash.), for the same purpose, was the subject of a hearing by the House Fisheries Subcommittee May 14.

**Salmon predator**—S. 1264, to extend and expand the program for the eradication of the dogfish shark on the Pacific Coast, was reported by Senate Commerce Committee June 22.

**Tuna quotas**—H. R. 443 (Utt of Calif.), H. R. 447 (Wilson of Calif.) and H. R. 673 (Utt), to regulate the importation of tuna products, have been referred to the House Ways and Means Committee.

### Mutschler, of Continental Research, Killed in Crash

W. J. ("Bill") Mutschler, general manager of production engineering of the Continental Can Company, was one of eight executives of that firm whose lives were lost in the crash of a company plane in Ohio, July 1. The tragedy was widely reported by the national wire services and radio-TV newscasts of July 1 and 2.

Mr. Mutschler had been a principal contact for the N.C.A. Laboratory personnel during his several years

with the Continental Research Division, and through his former chairmanship of the Research and Technical Committee of the Can Manufacturers Institute. He was an active collaborator in joint research and technological programs of the N.C.A. with the can companies and C.M.I.

The Continental men killed in the crash were executives of the metal operations group. They were, besides Mr. Mutschler:

Jacob DeBliek, plant manager at Passaic, N. J.; J. M. Kelly, manager, production engineering, Eastern metal

division; M. D. Sandine, general manager, Mid-Eastern district; H. G. Schier, manager, equipment and maintenance; Abbott W. Sherwood, sales manager, non-food cans and steel containers; J. R. Wallace, product sales manager, non-food cans; R. E. Weimerskirch, manager, product and material standards.

Lives of the two crew members of the plane were lost also in the crash, which took place near Marion, Ohio, on a flight that originated in Chicago. The Continental men were returning to New York via Baltimore.

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